Form F IX—4

1953 57
(CM)

File No 83 53

Serial Nos 1, 2, 3 4, 5 6

Previous References

LL 10-46-174 175

Later References

LH 139 GCA 59

MYSORE GOVERNMENT SECRETARIAT

Serial Nos Seven (7)

P 92 (E)

Part B for January 1957

SUBJECT

Reorganisation of the Audit and Accounts Sections of the Corporation of the City of Bangalore

WD 0142—GPB—50,000—10 6 57

Letter No L 14550 dated 12 1 1957

To The Comm C C B

Accepts the proposal of the Corporation for the continuance of the existing system of pre audit

J Sharma Sundar
27/9/58

Serial No

Letter No L & A 648/57-52 dt 25-5-57
from the Controller State Account Deptt
forwards a report on the
re-organisation of the Audit & Accounts work
in the corporation of the city of B'lore

The Controllers letter & the Auditors
detailed note are for perusal The Audit
has explained at length the present defects
of the existing procedure with the inherent
defects (which have led to frequent embezzle
ments of cash & stock) & the accumulation of
arrears of
work is stated to be due to shortage of
staff The Controller has agreed with the view
of the Auditor about the imperative & urgent
need of re-organising the audit & accou
work in the B city corporation, where the recei
& disbursements put together are reported to
of the order of nearly 2 crores of Rupees
— has therefore proposed the following —

2 There are to be two sections — Aud
Accounts

3 The Audit Deptt is to have Two Super
Nine I Div clerks, Seven II Div clerks one after
ear one year, as against the existing Staff
and Auditor, one Supdt, Nine I Div Clerks (four
clerks were recently sanctioned as was stated
by the Controller) on two items Thus would
therefore mean an addition to the Staff of a
Supdt and Seven II Div clerks and reduction of the post of I Div
Thus add Sta

No L (PS) 600 62/
A 21-57 2 dt 23/6/57
put up separately
not available

NOTE—Contn Sheet

be sanctioned

Of the existing staff the Supdt and four I Dn clerks are now in receipt of a Duty allce of Rs 20/- and Rs 15/- each per mensem respectively The Controller has proposed that these 5 officials may be permitted to continue to draw these allowance till they continue in the Corporation and this is for consideration

5 With the abolition of the post of the Auditor the Controller has suggested, that the Supervision of the work in the Audit Deptt will be entrusted to one of the Accounts officers of the State Accounts Deptt Stationed at B'core and this may be approved The designation of this officer may be decided after the Controller sends up proposals in this behalf as stated by him

6 The net extra cost of the re-organisation of this Audit deptt will be Rs 3641-4-0

7 The Accounts Deptt is to have one Accounts officer 1 Supdt, 1 Hd Accountant four Audit clerks Three Accounts clerks (I Dn), Seven II Dn clerks for Examiners Daftaries and four peons This would mean an addition of 1 Accounts officer, 1 Supdt, four Audit clerks and reduction of two Accounts clerks (I Dn) This is for consideration

8 The Head Accountant is proposed the grade of Rs 170 10-250 as against the existing grade of Rs 110 8-150 The revised grade is said to have been approved by the Corporation

Serial No

and awaiting orders of Govt The revision the grade is for consideration in consultation with the L S G Secy

9 The Accounts Dept is proposed to be under the control of an Accounts officer who will also be the financial Adviser to the Commissioner & this Accounts officer will be from the time being & for some time to come, from the State Accounts Dept Govt to the Corporation This may be approved

10 The net extra cost in respect of the Accounts Dept will be Rs 13111-8-0 p a

11 The total nett extra cost for both the Audit & Accounts depts in the Corporation will therefore be Rs 16,752-12-0 per annum and the total after re organisation expenditure on both these 2 depts will be Rs 61162 8-0 per annum

12 The Controller has suggested that the pre-audit of the transactions of the corporation may be abolished (since pre audit is not contemplated in the Corporation Act & also since the proposed Accounts Dept would have the necessary effective checks and Scrutiny over the transactions) but only Concurrent Continuous Post audit be conducted by the audit Staff This is for Consideration

13 The Controller has also stated that he has sent a copy of the note to the Commissioner for necessary approval of the Corporation for the

NOTE—Contn sheet

File No FL407 — F — in the [illegible] City corporation of 19

General and Revenue Secretariat

Serial No

proposed re organisation can in the meanwhile necessary direction if any may be accorded to the proposals Since the re organisation is imperative and urgent as explained by the Controller Re L S G Secy has to be consulted

MGR 25/6/51 14) If the present arrears have to be cleared and a proper internal check has to be organised, the proposals require urgent consideration The Corporation Act vests on the proper audit and internal check of the also Since the cost is to be borne by the corporation, L S G Secy will be requested to call for the opinion of the Corporation on the proposals and to furnish his remarks

A

L S G Secy) W 25/7 yes

L S G Secy) 15) 30/7/51

16) If approve action may be taken as suggested at A

Dy 4/7/51

Addl Secy (Municipal)

17) 27/7/51 gdn 12/7 27/7 12/7

Dy 27/7

Office of the Director for Local Self Government

No 1912

Dt 27/7/51

GENERAL & REVENUE SECRETARIAT 3432 4/7/51 L S G [illegible]

GENERAL & REVENUE SECRETARIAT 2271 5 JUL 1951 MUNICIPAL BRANCH

2271/rd V 7169/rd 5

Re-organisation of the audit and accounts work of the Corporation

18) Draft Letter to the Comptroller, Corporation to put up for approval

Eg 14/7/51 DP

19) Done

DJ
14/7

To The Comptroller of the City of Glasgow (the Lord Provost)

L 375-7/DJ 19/7/51

Forwards the proposals for the re-organisation of the Corporation

Smith
19/7

Procedure

The Comptroller, Corporation of Glasgow

No B 1/51-52 of 11/2/52

Requests his report on a certain reference received from the Controller S A D on the Subject

20) The proposals of the controller for the Reorganisation of the audit and Accounts of the Corporation were sent for the Remarks of the Corporation on 19/7/51 is stated to have passed through the Committee Stages and is awaiting consideration by the Corporation for obvious reasons the consideration of the question now by the Corporation admits delay

The Controller S A D on 25/7/51 called to the Financial Secretary

7189/sl

Re-organisation of the audit and Accounts wing of the Corporation

and Copied to the Commr, Corporation has explained at length the present System of accounting in the Corporation and has sought sanction to the arrangements he has made to discontinue pre audit from 1 4 52

21) The Commr in his present letter however states that the total accounts to the maintenance of after the reorganisation of the Corporation are enormous in magnitude and it is necessary that precautions are taken in pre audit in the initial stages alone He therefore expresses his disagreement with the proposed discontinuance of the System of pre audit from 4 52 and suggests that this may wait until the Corporation is able to examine the whole question thoroughly

22) The Controller in his letter dated 24. 11 51 has addressed the Financial Secretary and it is not known what action has been taken on this Reference to the Finance Dept The Financial Branch may perhaps be Consulted

Secy 26/12/51
Secy 26/12/51

23) As suggested by the Commr there is better to wait until the Corporation considers the question of Pre audit & gives its final opinion

Secy
Dept)

1143

J. 1
No. 1/3/260
Date 15/3

9467/Secl

Reorganisation of the Audit and accounts work in the Corpn of the City of Bangalore

7169 Secl

24) For favour of remarks on the Comm's proposal to defer the q/n of the preaudit, if any, which is considered necessary by the Corporation (usually an internal audit has to be done by the accounts staff of the Corporation and not by the staff meant for statutory audit. It is always desirable to separate ~~the~~ maintenance of a/c's & ~~check of accounts & various forms of administrative points~~ internal audit from statutory audit and it will be a retrograde step to allow the Corporation to have the same staff for statutory audit and for internal a/c's, the mere fact that the separation of audit & a/cs will result in addl expenditure to the Corporation is not an excuse for deferring such separation

(Secl)

SPECIAL SECRETARY
DIRECTOR
U O No 82 ... Fl
MINISTRY OF URBAN DEVELOPMENT

1/11/94

12 APR 1952 237 R B BUDGET

8

7163/Hlm

while some time may be given to switch over to the new system the proposal of the Controller has to be implemented sooner or later. The administrative Secy has also agreed with the new. However, the new Controller who is taking Charge shortly may reexamine the question and intimate if any further reduction is possible so as to reduce the extra cost

D 14/4 BANCA 14/4/52

Fl Secy) ms 10/4/52

26) Yes

Bud U O No 4 Sr-53 & 11 4 52 Dated 12th April 52

27) Forwarded to the Controller State Accts Dept for further remarks.

B o

For Fin Secy

OFFICE OF THE AUDITOR 23 APR 1952 22/4/52

FINANCIAL SECRETARY 16 JUN 1952 GOVT OF HP

U O No 37 /C S A dated 11th June, 1952

28) The matter has been re-examined in all its aspects in consultation with the Auditor of the Corporation There is no properly organised accounting system, in the Corporation at present and the arrangements for audit of its ~~xxxxxxxx~~ transactions are not also quite satisfactory It is with a view to remedy this position that the proposals for re-organisation were made The imperative need for such re-organisation of the accounting and audit arrangements in the Corporation has been exhaustively explained in this

Office ,

Office letter No 648/L F A dated 21 5 1951 it is very necessary that these proposals should be sanctioned, as otherwise, there is scope for leakage of revenue An effective internal check and concurrent post audit are the main features of the re-organisation proposals and their speedy implementation is absolutely necessary

29) The Commissioner has stated in letter No B1/51-52 dated 11 2 1952 that it is necessary to continue pre-audit in view of the enormous magnitude of the transactions For the reasons given in detail in this Office letter referred to above, the continuance of pre-audit system is not conducive to efficient audit Further by the continuance of the present system, the audit staff is sometimes being placed in a very embarassing position For example, as the Budget Estimates of the Corporation for 1952-53 were not passed in time by the Corporation and audit was aware that it would be illegal and irregular to pass any expenditure it could not withhold payments for the reason that the work of the Corporation would come to a standstill If audit has really to serve its purpose then it should be independent of the executive and the present system of pre-audit by this Departmental Audit staff should cease As no arrangements have been made or thought of, for providing the staff necessary to arrange for the internal check of accounts of the Corporation by its own agency, which can be inferred from the letter of the Commissioner dated 11 2 52 addressed to the Secretary, Local Self Government Department, and as orders of Government were not received on the proposal to discontinue the pre-audit, the system of pre-audit is being continued by the Auditor, Bangalore Corporation even after 1 4 1952 It may be urged on the Corporation that they should make immediate arrangements fo providing the necessaryinternal check organisation immediately as per the proposals already submitted

Another point that the Commissioner in his above letter

has raised is the question of meeting the cost of the audit staff He has stated that the Madras Government meet the cost of the audit staff and that until the question as to who should meet the cost is decided, the arrangement suggested by this Department cannot be accepted According to Rule 24 of the Financial Rules, the Corporation should pay the remuneration of the Auditors as fixed by Government Until this Rule is amended, it is binding on the Corporation to meet the audit cost Hence the question as to who should bear the cost does not arise Granting that the Rule requires modification in the light of the practice prevailing elsewhere the proper course would be to take up the question separately instead of bringing it as an objection in the way of carrying out the urgently needed re-organisation The Corporation may perhaps be advised accordingly in the matter

237/P

(30) As regards the question of reducing the staff asked for it may be stated, that the former Comptroller to Government had proposed in his letter No 22/C A dated 18 3 50 the appointment of one Assistant Comptroller, 2 Superintendents, 19 First Division clerks, two second Division clerks, one attender and three peons involving an average cost of Rs 47,434 as against this the staff now proposed is only two superintendents 9 First Division clerks and 7 second division clerks, one attender and one peon involving an average cost of Rs 27030 12 0 The net extra cost over the sanctioned staff now working is only s 3,041 4 0 The staff proposed already is lower than the actual requirement By the experience gained during the last one year, after the audit was taken over by this Department, it is found that the staff asked for expenditure audit is not at all adequate Taking 7½ bills per day per auditor as a reasonable standard, six hands will be necessary for expenditure audit while the number of hands proposed is only three The number was fixed at three while submitting the proposals to Government on the round that suitable internal checking staff would be

237

B would be provided by the Corporation and that the audit would be post-audit in character If such an organisation is not provided on the accounts side, it may become necessary to provide some more staff on the audit side It has to be emphasised on the Corporation that the question of augmenting or reducing the audit staff depends upon the extent of internal check arranged by the Corporation, and that it is not possible to consider any reduction of audit staff proposed at this stage

31) For the foregoing reasons, the Commissioner may be requested to obtain the sanction of the Corporation on the re-organisation proposals at a very early date, and the same may be sanctioned by Government very early

Secretary to Govt ,
Finance Department

(Mohamed Fahmathulla)
CONTROLLER,
State Accounts Department

32) The Corporation may be informed that it is in their own interest that audit should be separated from accounts and the proposals of the Controller may be accepted Regarding audit charges we need not follow Madras ' The cost of audit and accounts has to be shouldered by the Corporation

33) I agree with the above view The corporation

1) Reorganisation of the Audit and Accounts work in the Corpn of the City of Bgre 3875/md will be informed accordingly

Min L S G
Ch Min
thro'
L S G Secy

2) 17 6 52

3) 9/6/52

4)

5) 19/7/52

6) 13 8 52

7) 14 8 52

OFFICE OF THE MINISTER FOR PUBLIC HEALTH & LOCAL SELF GOVERNMENT
20 JUN 1952
No 1761

Office of the Chief Minister
No 2707
Date of Receipt 22/7

8) Draft letter is put up for kind approval It may perhaps issue from the adm Secty

FINANCIAL
11 JUL 1952
GOVT OF MYSORE

22/8

9) Reg-ma for the adm-mtne Secy

10) L S G Secy

11) 27/8/52

To
The commissioner
Corporation of the city of
Bangalore
(Thro the Mayor)
L 8621/ dated 19 52

From

The Accountant general in Mysore
Bangalore

L AI 415/A c Dated 19 8 52

regarding the consolidated allowance of Rs 75/- p.m to the Corpn Auditor

12) Submitted for perusal - further report the commissioner will be awaited

27/8/52

13) Reminder sent 12/9

9467/ml 15

Re organation of the Audit & Accts system in the corporation of the city of Bangalore

3875/ml 5414/ml 9467/ml

44) A D O remainder to put up for approval

IKE 15/9

hdj 15/9/52 BBR 16/9

45) Issue

16/9

2 10104

25/9/52

Reminds

3 wks A 25/9

BBR 26/9

Proc

The Comm Corporation of the city of B'lore

No B1/52-53 dated 15 10 52

Sends an interim report

46) Reports that the matter is being placed before the Corporation the decision of the Corporation is awaited

SWS A 29/10

Ras 25/10/52

BBR 27/1

47) Yes

18/2

Proc

The Commr Corporation of the city of B'lore

No B1/52-53 dated 4.3.53

Forwards the recess of the Corporation

Lr recd fr Corpn D no 7774/51 52 desires cert particulars with D O fr D no 7291/B 12 12 and Reports to that Branch with D no 8521/A1 52 52

48) The Corporation which has considered the proposals for the reorganisation of the Accounts Org

Rg 25/2

14 9467/mk

Re organisation of the audit and account in the B'lore corporation

---

Audit System in the Corporation on 10-2-53 has resolved that as proposed by the Controller the Madras System for post audit has to be followed the Cost should be borne by the Government not as done by the Madras Govt

4) Rule 24 of the financial Rule in Schedule IV, part IV of the Corporation Act provides that the Corporation shall pay to the Accountant General such remuneration as the Government may determine whatever may be the procedure as in vogue in Madras as long as the Rule quoted above continues in force the audit charges have to be paid for by the Corporation The Re-organisation proposed is in the interest of the Corporation and it is an urgent necessity and cannot therefore be delayed or put off Hence the necessary Controller Genl agrees with each of the points.

5) The Corporation by the above resolution has created a difficult situation to put through the Reorganisation proposals There should either be agreement by Corporation to meet the charges

9467/ml 15

Re-organisation of the audit and Accounts in the B'lore corporation

---

A { on the Resolution of the Corporation annulled following the procedure prescribed in Sec 45 of the Corporation Act and the proposals sanctioned pursuading the Corporation to enact the Act Before this Step is taken it may be desirable to consult the Law Secretary to whether it would be legally in order to take such a Step

51) The Financial Secretary at paras 32 and 33 has stated that the cost of audit and accounts has to be borne by the Corporation - Ref paras 35 & 36 above

Secy 2/4/53

52) The opinion of the Law Secretary is necessary on the point noted at A

Secy 3/4

53) I would like to discuss this with the Commissioner and Comptroller SAD Pl request them to meet me at 10 AM on 18/4/53

SECRETARIAT GOVT DEPARTMENT 320 8 APR 1953

SECRETARIAT GOVT DEPARTMENT 757 21 APR 1953

54) Off Letter as put up for approval

Secy 14/4/53 14/4 Pl put up

55) Done at once Secy 15/4 Secy 20/4

9467

Reorganisation of the Budget and Accounts System of the Corpn of Bombay

---

Lyme Comm Corpn Bombay
Chief Masters
Controller S&A D
L 755-56/e1483-53-2 dated 22-4-53.
Requests to be supplied an opportunity to meet the Secy & Govt-Counsel to meet the Secy & Govt-Counsel to discuss

L S G on 24th April 53 at 4 p m

---

56) The file may please be placed before the L S G Secy for reference during the discussion

23/4/53

23/4

Secy

56) A
23/4

57) Documents with the controller S A D and also the Comr Corpn

There was an agreement to the enhancement of the expenditure on the Ajc section and also in the audit Section. The controller S&A D has proposed to send a revised proposal for increasing the staff on the Accts side Award the report of the Controller

A
23/4

Sec A-2/5/

SECRETARIAT
27 APR 3
DEPART

8641/ml 17

Re-organisation of the audit and Accounts Sections of the B'lore Corpn

From

The Controller, S A D

No 36/CSA Dt 30 4 53
1 5 53

Forwards revised proposals on the lines of the discussion at the meeting held on 27-4-1953

58) The revised proposal sent by the Controller S A D is for perusal the extra cost of this revision as per proposition ~~A~~ statement enclosed ~~etc~~ is calculated below —

(i) Rs 5,280/ per annum towards the pay of the Auditor for the Separation of the Concurrent post audit of the Transactions of the Corporation and some additional duties connected on the Sales Tax chargable to Government funds

(ii) Rs 10 764-12-0 per annum both on the accounts Dept and the concurrent post audit staff to be charged to the Corporation funds

59) This revised proposal will if approved be forwarded to the Commn

18 864/ad

Re organisation of Civil Credit and Accounts Sections of the Bldg Corporation

---

Bldg who was also present at the meeting to place at before the Corporation and forwarded its views

60) Seek for orders

Cons 8/5/53 61) Suggestion in Para 59 n appd

DM 8/5

9/5

62) Draft letter to the Comm, Bldg Corporation as put up for approval

63) Issue

Cy 11/5/53

DM 12/5/53

To

The Commr, Corporation

No L. 2555/C of 8353-3 dt 26 5 53

calls for the views of the Corporation on the revised proposals

64) Draft D O Recommdn as put up for approval

65)

26

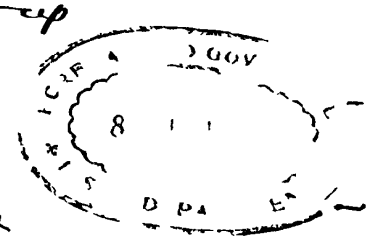
Cy 4/6/53.

Secy DM 5/6 Recommdn No L 3232 dt 4 6 53

66) Issue

Remind every week

9/6



Re-organisation of the audit and accounts
864/ml work in the corporation of the city of B Low
864/ml √2033/ml √4127/ml

67) D O Reminder on put up for approval
Secy 8/6
SDA 18/6/53

68) Issue
To
The commr corpn B'lore
(by name)
ref 3576 dy 20-6-53
Reminder

69) D O Reminder on put up for approval
Secy 29/6
SDA 29/6

70) Issue
SDA
9/7

Recd
The Commissioner, B'lore Corpn
No B 1/53-54 dated 20-6-53
Sends an explanation Reply

71) Further Report will be awaited
Secy 15/7/53
Secy 16/7/53
SDA 16/7
117

Recd
The Commr B'lore Corporation
No B 1/53-54 dated 25
Sends an explanation Reply

72) The Commr states that the matter
was placed before the Corporation
on 28 9 53 and the decision will
be intimated
Secy A 14-10-53
SDA 16/7/53

73) Further Report will be awaited
Secy 7/10/53
SDA 13/X/53

74) Issue

Staff Duty

Reorganisation of the Audit and Accounts
Wing of the B'lore Corporation

From

The Commissioner, C & B.
No B 1/53-54 dated 9 12 53
Seeks Sanction dated 19 11 53
of the Corporation on the subject

The Commissioner has not
Received the original proposals
the Corporation and the proposition
Statements sent on the 5th three
letter of 26 5 1953
A draft letter of the Govt
to Return these as per rep for
approval

Issue
DA
19/12

Ex 16/12/53
Sd 16/12/53

To The Commissioner
Corporation of the city of B'lore
No L 12276 dated 24th December 53
Calls for Further Reports

Enclosures

SusA
28/12
Sd 28/12

Re-organisation of the audit and Accounts wores of the Bldg Corporation [App F III 2

Mysore Government
Secretariat

File No 6736 of 1953-54

WD 03547—CPB—40 000—14 8 53

Serial No

Proceedings

The Commissioner CC Bs no B-4/53-54 dated 13/1/54 Relating the original draft proposals of the Controller, S A G as called for

75) The Corporation has approved of the modified proposals for the Re organisation of the audit and accounts of the transactions of the Corporation at its meeting held on 19-11-1953 But the suggestion of the Govt that the Cost of audit and accounts shall be borne by the Corporation has not been agreed to The Corporation wants the Govt to meet the Cost of post audit as in the Corporations

76) Sales for orders - Ref paras 32 & 33 and 35 above

25/1/54

77) The modified proposals for the 27/1/54 Reorganisation of the audit and the transactions of the Corpn, as suggested by the Controller may be approved The Corporation will have to pay the cost of such audit

(Secy Dept)

78) In favour of Government

27/1

28 JAN 1954

2 FEB 1954

NOTE-Contd Sheet

No 9625-F

reorganisation of the revenue and executive
✓ section of Bangalore Corporation

File No ~~6738~~ 6736/RC ✓7354/2 of 195 ✓82-2 | Mysore Government Secretariat

Serial No

79) The existing procedure may have to continue if the Corporation is not willing to meet the extra cost — 9625/7C

Secy L S G)

Secy) 29/2

80) 29/2

Secy L S G)

81) Pl discuss

22/2

82) Write to the Corpns of Bombay Madras Nagpur + Calcutta + Jabalpur + ascertain whether what the Corpns have stated is true

Dft

83) Dft letter & proceedings for approval

84) Issue

Cy 26/2/54

Co 28/2

Encl Copies of (1) Bombay (2) Madras (3) Nagpur (4) Jabalpur and (5) Calcutta

No. 4 (6) 60-6C Dt 31.5.60, letter for confirmation

Secs A-9/3/54

8/4/3

Re-arrangement

Re organisation of the Audit and Accounts Deptt of the Govt Corporation

Mysore Government Secretariat

File No 7354 of 195 [8227] Pol [8308 8357 8354] [App F III 2

WD 03547—CPB—10,000—48 3

Serial No

Proceedings

The Commissioner, C C B

No C A D C No D-10-287/54

dt 15 3 54

Proceedings for reorganisation called for.

85) It is seen from the Report of the Director, Madras that no cost is met by the Corporation for the post audit of accounts

86) Replies from other Corpns are awaited

87) 11 3/3

Copy 23/3

Govt 26/3

Proceedings

1) The Chief Secy, Nagpur Corpn No 11611/C A dt 18 3 54

2) Secy, Jabalpur Corpn No Acts/11674 dt 23 3 54

3) The Secy & Chief Accts, Calcutta Corpn

Proceedings for reorganisation called for

88) It is seen that in the Corporations of Calcutta, Madras, Nagpur and

a Sheet

Re organisation of the audit and Accts Section of the Bldg Corpn

File No 827 / 300 / 357 / 357 of 1953 / Vol

Mysore Government Secretariat

Serial No

Jabbalpur the Cost of audit is borne by the State Government and not the Corporation

Sec'y for orders Ref paras 79, 81 and 82 supra

Dy 1/4/54
Sec'y 1/4/54

90) Reply from Bombay has been received they will not be included

Dy 6/4

91) The Reply received from Bombay is part copy of the Report that the Bombay Corporation there is no post audit of accounts by the State Govt but that a Committee of the Standing Officers of the Corporation the Municipal Chief Auditor, also a Superintendent of the Corporation The Cost of these Departments not borne by the Corporation

92) Sabt for orders - Ref paras 79, 81 & 82 supra

Dy 8/4/54
Sec'y 9/4/54

93) Sec'y for personal hearing
Dy

Dy 11/4
Secy

94) Pl discuss

Dy 21/4

Daily

SECRETARIAT 19 21 APR 1954 S.T.S.O. DEPARTMENT

Submit this after Dy & Secy returns from Delhi

Dy 11/5

Resch Assistant

Dy 20/5

Secy 20/5 Chief

Re organisation of the audit and Accts Section

Mysore Government Secretariat — File No. 41 of 1954 ST — [App F III 2 25

Serial No	
	95) Draft letter to the Commr CCB is put up as per Cis Circular Orders for approval Cy 25/4 SWR 26/4 Secy Dept 96) 28/4
97)	Issue and put up after 20/5 I would like to speak to the Commissioner Yk 29/4/54 To The Commr CCB Ref 12629 dt 5-5-54 calls for the resolution Secy B-Le 20 5 54 Cy 10/5/54
98	Reminded with reference to Para 97 above AL 20/5 SWR 20/5 Secy Dept 99) 29/5
100)	I have spoken on the phone today to the Commissioner He has agreed with the proposals Get a reply soon Yk 27/5/54 28/5
101	Secy B Recd Remd one m/s dup 4/6/54 Remdr is put up for approval 102) Secy Dept 12/6 4/6

Note—Contn Sheet

R Nol 2852 / 16-6-54

589 28 APR 1954 DEPARTMENT

26 MAY 1954 DEPARTMENT

Organisation of the Audit and Accounts Section

C.B. File No 41/ME, 2572 of the Blore Corporation of 195 .

Mysore Government Secretariat

Serial No

Reminder as sent up for approval

Sd/-

To

The Commissioner C&B

Letter no B 1/53-4 dated 27.5.54

Rate of final decision of the Corporation will be intimated

---

103) The interim report is for perusal

Sd/- 10/7/54 Sd/- 15/7

104) Sd/-

Letter No 2503/

Sd/- 31/7/54

Orders of the Secretary L.S.G. & Planning Departments in file No. 2503/ME (CN 25-54 20) issued certain instructions relating to the appointment of additional staff for Corporation Audit Section pending re-organisation question, as follows:-

108) " Remind the Corporation for an early decision as it is extremely necessary to sufficiently strengthen the audit staff in the Corporation " (Sd) G.V.K.

30-7-54

WD 64'61—GPB—60 000—20 1 54

Re-organisation of the audit and accounts section of Corporation

Mysore Government Secretariat | File No. 257/ord 56/ 9224 of 195 | [App F III 2

Serial No 106

Reminder is sent up

107) Done Sd 25-9-'54

L 7824

In the Commissioners CCB Ltr no B 1/83-54 dated 14.10.54 forwards interim reply

108 For perusal further report will be awarded

109) - Done

dc 20/10 Con 22/10

110 Reminder is put up

25/11 111) Done Mr 29/11

Issued R No L 10760. D 30-11-55

From The Comr CCB Letter No B1-/83-54 dated 27/2/56 stating that the subject is before the Corporation for consideration

112 For perusal and orders the receipt of the further report will be awaited

113 Please put up a reminder Mr 29/3

114) Dft is put up dc 29/3/56

115) Done Mr 25/3

L 17111/8283 FL

Comr CCB through the Mayor Requesting the early report

Note—Contn Sheet

Sus A1 dc 3/11/56

Re-organisation of the audit & Accounts Section
— Corporation —

File No 2572/5061/92[illegible]/mel/57817/mel/59/1 of 195 Mysore Government Secretariat 350/A

Serial No

Letter No BL 55 56 dated 3-7-56 from the Commissioner in the matter

116) The receipt of the report as to the decision of the Corpn will be awaited in the matter, t o/2

B 7/8 Rm 7/8

117) 8/8/56

Sent 10/8

Dr one

The Commissioner,
Corporation of the city
of Bangalore

Letter No B7-53/54 55 dated 18/24 10 56 forwards the resolution dated 14 9 56 of the Corporation in the matter

118) It is stated that the Corporation resolved in its meeting held on 14 9 56 to the effect that the existing pre-audit system be continued in the Corporation of the city of Bangalore It is also stated that, as such, the matter of introduction of Post audit may kindly be dropped

Mayor J

Submitted — Refer Paras 95-105

M. 13/11/56

119) The proposal may perhaps be accepted & the file closed

M. 17/11

120) M 21/11/56

121) Accepted 30/11 Boilerplate

Secy to GoI

Re-organisation of the Audit and Accounts Section of the Corporation of Bangalore

Mysore Government – Secretariat

File No. 59 S 15 of 1957 (App. F III 2)

350/A

Serial No

122) A draft letter is put up for approval and signature re 3/1

2/1/57

No 3/1

To

The Commissioner
Corporation of the city of Bangalore
(thro' the Mayor)

L 14530/CM 8353-7
4/12/57

Directs that the proposal of the Corporation to continue the existing System of Pre-audit

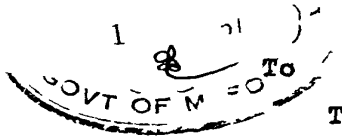
B

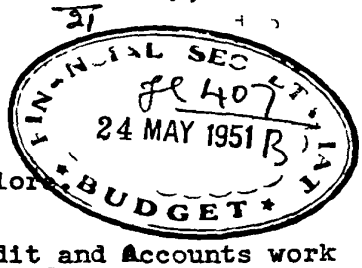
No. —Contn Sheet

No L F A 648 /51-52

Encl 1 f/c papers

OFFICE OF THE EXAMINER,
LOCAL FUND ACCOUNTS,
Bangalore, dated 18th May, 1951





To

The Secretary to Government,
Finance Department, Bangalore.

Subject - Re-Organisation of the Audit and Accounts work in the Corporation of the City of Bangalore

Sir,

I write to invite reference to para 6 of my letter No 87/L F A dated 31.1 1951 indicating the need for re-organisation of audit and accounts work in the Bangalore Corporation and stating that proposals would be submitted to Government after a study of the question Accordingly, I have examined the matter at length and also had a discussion with the Commissioner of the Corporation I am enclosing for the consideration of Government a Note by the Auditor of the Corporation, prepared at my instance and under the general directions issued by me, with regard to the proposed re-organisation

2 Briefly, the position is that while on the one side there is no properly organised or adequate accounts set-up in the Corporation, there also is on the other side no adequate audit organisation at present in existence As explained in the Note, there is at present pre-audit of the transactions pertaining to expenditure in the City area while there is no audit at all of any of the transactions pertaining to the Civil Station area since the Corporation was formed With a view to remedying this lacuna, it has already been proposed that five additional posts of auditors be sanctioned, and three officials have already been posted by me in anticipation of sanction The audit conducted at present does not also cover the entire field and requisitions are being received from time to time from the Commissioner asking for assistance in regard to

to this or that aspect of the accounts and audit work pertaining to the Corporation It would be clear from the Note that the audit staff has at no time been of sufficient strength to cope with the entire scope of its work On the accounts side, it is a matter for some surprise that in a Corporation with its receipts and disbursements totalling around two Crores, there should be no strong and well organised central Accounts Department so far, whereas actually the need has been felt for a Gazetted Officer in certain Departments of Government to assist the head of the department in accounts matters even where the transactions are a fraction of those of the Corporation The result has been that a number of irregularities appear to have occurred from time to time and the Note explains how generally the state of accounts work in the Corporation leaves much to be desired

3 The re-organisation is aimed at remedying the existing defects as far as possible and of bringing the state of work into line with that contemplated in the Corporation Act It is proposed that an Accounts Department consisting of the existing accounts staff of the Corporation should be formed under the immediate control of an Accounts Officer who would, in the first instance and for quite some time to come, be an officer lent from the State Accounts Department to the Corporation and who would assist the Commissioner in all matters pertaining to the accourts of the Corporation and also to act as his financial adviser In view of the fact that the present accounts staff in the Corporation is nowhere near the actual requirements and in view also of the fact that the present system of pre-audit is proposed to be dropped, with the result that certain preliminary checks by the accounts staff of the Corporation would thereby become inevitable, a certain minimum increase in the staff

staff of the proposed Accounts Department is being suggested It is also proposed that out of this staff, the State Accounts Department may lend to the extent it can spare, the services of one Superintendent and four I Division clerks with a view to assisting the Accounts Officer in the smooth conduct of the Accounts work These officials are meant mostly for exercising preliminary scrutiny over all expenditure bills and passing them for payment

4 With the creation of an Accounts Department for the Corporation under a gazetted Officer, there will clearly be no need for a gazetted Officer meant solely to supervise the audit work of the Corporation The audit staff will consist of two Superintendents, one for receipt audit and the other for expenditure audit, with the necessary subordinate staff, and the audit work will be supervised by one of the Gazetted Officers of the State Accounts Department stationed at Bangalore The system of pre-audit which is now obtaining will be dropped, not only because the responsibility for such preliminary checks/as and scrutiny are required can well be borne by the proposed Accounts Department of the Corporation, but because it is not contemplated at all in the Corporation Act On the contrary, a reading of the Act and the relevant Schedule conveys the impression that what is actually contemplated is a post-audit of the transactions of the Corporation Accordingly, the audit staff will conduct concurrent, continous post-audit of the transactions at the spot, and the Gazetted Officer supervising its work will examine the state of work from time to time and also deal with any special points arising in the course of audit in addition to dealing with routine audit reports

5 The proposed re-organisation involves an

an increase of Rs 13,111 8 0 over the present expenditure on the Accounts department of the Corporation and an increase of Rs 11,321 4 0 over the present expenditure on the audit staff, not taking into account the increase of the staff by five audit clerks already proposed If this increase, which has already come into effect partly, is left out of account, the actual increase on the audit side would be only Rs 3,641 4 0 The total expenditure on both audit and accounts would come to Rs 61,162 8 0, which would be about 0 321 per cent of the total receipts and disbursements of the Corporation The expenditure on audit alone would come only to 0 142 per cent, and this is what actually has to be taken into account, as the proposed Accounts department will be part and parcel of the Corporation administration The percentage referred to above seems to be quite reasonable and is in fact very much less than the percentage that is levied in Madras, for instance, in regard to certain institutions the audit of which is conducted by the Examiner Local Fund Accounts there

6 Considering the present state of both audit and accounts in the Corporation, I feel that a re-organisation on the lines indicated is imperative and urgent I accordingly request that sanction of Government may kindly be obtained very early for the proposed re-organisation and for the necessary increase in audit staff. The necessary proposition statements are enclosed The Gazetted Officer who is to supervise the audit work will be designated after sanction of Government is received to the proposals sent by me about the formation of Audit circles

7 I have sent a copy of the Note also to the Commissioner with a request that it may be laid before the Corporation for further action and I expect that he would

be

be taking action for obtaining such sanction as is required of the Corporation in this matter

Yours faithfully,

EXAMINER,
LOCAL FUND ACCOUNTS

KNN/2

Appendix I G—1]

SUBJECT :- Re organisation of the audit and Accounts work in the Corporation of the city of Bhopal

Section

File No

Serial No

Diary No of letter replied to 227

No L 3784/GIB
- 1941

Publicity Office

( )

the 194

To

The Commissioner
Corporation of the city of Bhopal
(through the Mayor)

Date of issue

Sir

Signed by

I am directed to forward herewith an original the proposals received from the Controller, State Accounts Dept for the Re-organisation of the Audit and Accounts work in the Corporation and to get his opinion on the enclosures and to request that the opinion of the Corporation on the-reon may be furnished early

List of enclosures

Copied by

The enclosures may be kindly returned with your reply

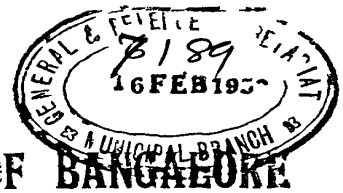
Yours faithfully

Examined by

Sd/-
14/7/51

WD 01000—GIB—2000—9 1 48

7



CORPORATION OF THE CITY OF BANGALORE

No B1/5132
Enc One copy of letter

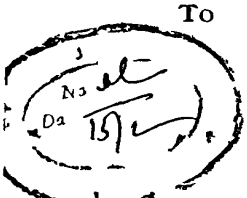
CORPORATION OFFICE
BANGALORE

Dated 11th February 1952

FROM

N S HIRANNAYYA ESQ, MA
COMMISSIONER
CORPORATION OF THE CITY OF BANGALORE
BANGALORE

To



The Secretary to the Government of Mysore,
Local Self Government Department,
Bangalore

SIR

Subject REORGANISATION OF THE AUDIT AND ACCOUNTS WORK IN THE CORPORATION OF THE CITY OF BANGALORE

In forwarding herewith a copy of letter No 4155/C S A dated 26th December 1951 from the Controller, State Accounts Department, Bangalore, to the Secretary to Government, Finance Department, Bangalore, I write to inform you as follows

The Controller of States Accounts Department had forwarded a proposal for reorganisation of the Audit and Accounts work in the Corporation of the City of Bangalore on the basis of the organisation of the Madras Corporation He had suggested therein for 2 kinds of Audit viz one - continued and concurrent audit by the Accounts Officer and his staff of the Corporation and another post audit by the Government auditors and for this purpose he recommended for increasing the audit and accounts staff at an extra cost of Rs.16,752-12-0 per annum

The whole question was gone into and though the proposal is commendable, there are one or two points requiring consideration

Firstly, in the Madras Corporation, the Government meets the cost of the staff Here it appears that the Corporation will

p t o

will have to shoulder the expenditure Until this point is made clear it is difficult to accept the arrangements

Secondly, with the inauguration of the Corporation, the initial accounts to be maintained are of enormous magnitude representing transactions to the extent of two crores (Receipts and expenditure) When public money to this extent is involved, it is necessary that all precautions are taken by preaudit in the initial stages alone

The matter was however placed before the Standing Committee with the above recommendation and for accepting the general principles of re-organisation enunciated by the State Accounts Department with slight madifications in the matter of entertainment of staff This was approved both by the Standing Committee, Accounts and Standing Committee, Taxation and Finance and is now before the Corporation

As the view taken by the members of both the above Standing Committees is in favour of the continuance of the Preaudit system, the proposal of the State Accounts Officer to discontinue the system from 1-4-1952 cannot be accepted until the Corporation is able to examine the whole question throughly and for a variety of reasons this may take some time Till then the present system may continue

Forwarded with compliments

MAYOR

Yours faithfully,

(N S Hirannayya)
COMMISSIONER

TNL/-

10

Copy of letter No 3746/C S A dated 24-11-1951 from the Controller, State Accounts Department, Bangalore, to the Secretary to Government, Finance Department

---

Subject Reorganisation of the Audit and Accounts work in the Corporation of the City of Bangalore

9

Copy of letter No 4155/C-S-A dated 26th December 1951 from the Controller, State Accounts Department, Bangalore, to the Commissioner, Corporation of Bangalore

---

Subject - Reorganization of the Audit and Accounts work in the Corporation of the City of Bangalore

I send herein enclosed a copy of letter No 3746/C S A dated 28-11-1951 addressed to the Secretary to Government, Finance Department, on the above subject for your information

"COPY"

N Sadasiva Rao
FOR COMMISSIONER

INL/-

will have to shoulder the expenditure Until this point is made clear it is difficult to accept the arrangements

Secondly, with the inaguration of the Corporation, the initial accounts to be maintained are of enormous magnitude representing transactions to the extent

Yours faithfully,

(N S Hirannayya)
COMMISSIONER

MAYOR

TNL/-

Copy of letter No 3746/C S A dated 24-11-1951 from the Controller, State Accounts Department, Bangalore, to the Secretary to Government, Finance Department

---

Subject Reorganisation of the Audit and Accounts work in the Corporation of the City of Bangalore

---

I write to invite reference to my letter No L F A 64° dated 18-5-51 forwarding proposals on the above subject and to state that orders of Government are still awaited in the matter I forward a copy of the proposals simultaneously to the Commissioner of the Corporation, with whom I had a detailed discussion earlier on the subject, and requested him to place the subject before the Corporation and obtain such approval as was necessary I am informed that the proposals submitted to Government have been forwarded in original to the Commissioner for getting the opinion of the Corporation It is understood that the matter is still at the Committee (stage i e , being considered by the Committee (Taxation & Finance) and that it has not gone before the Corporation

The question of providing adequate staff to the Corporation Audit Section after the formation of the Corporation is pending before Government from 17-3-1950 Although an Assistant Comptroller was posted as Auditor of the Corporation, no decisions have been taken regarding the other arrangements to be made for the proper keeping of accounts and the efficient audit of the Receipts and Expenditure Except for the fact that all the expenditure is subject to preaudit and that the concurrent post audit of receipts of the City area is being continued as before, the other defects and anomalies pointed out by the Auditor in his note which was sent as an enclosure to my letter cited above still continue Review of the D C B Registers, Property Registers, audit of the stock accounts of the Engineering and Health Departments, scrutiny of the monthly cash account, check of cash books of the Departmental Officers etc , are still being unattended to and the work is getting into arrears On the accounts side, although the delay in the compilation of accounts has been reduced the omission to reconcile the Debt Head balances in accordance with the accounts with the subsidiary registers every month still continues The unadjusted amounts outstanding under Deposits and Advances run to several lakhs and some items are very old With the lapse of time it will be impossible to trace the correspondence and bills and adjust these items If huge amounts are left in these intermediate accounts unadjusted the accounts will not reflect the correct position of the Corporation and the adjustment requires urgent action

The Audit Section is functioning in the same old way as it did before The procedure followed is that, while the bills are audited by the auditors with reference to the initial records, the Establishment scale register, the Budget allotment Registers in which the provision of funds under each account is watched are being maintained by the Accounts Section of the Commissioner's office After the bills are first admitted by the audit clerks they are entered in these Registers and the Audit Superintendent and the Auditor atleast, the entries The bills are signed by the Superintendent and, after scrutiny by the Auditor who will initial the Bills, payment authorisation is signed by the Commissioner The Commissioner and his assistants also initial these Registers The present procedure is more of the nature of an internal audit than complete preaudit Further, it involves unnecessary delay in the payment of the bills causing inconvenience to parties since the bills after once being authorised for payment have again to be submitted to the Commissioner for issuing cheques I have issued instructions after discussing the entire matter with the Commissioner that the Bills may be admitted in audit finally with the signing of the Auditor on the admission enfacement and that the Commissioner may sign the cheques only

As pointed out by me in my letter dated 28-5-51, the audit contemplated by the Corporation Act appears to be only post audit Audit is required under the Act to furnish annual reports to the Standing Committee and to Government and this will necessitate a periodical review of the entire accounts which cannot be done so long as preaudit continues The provision in Schedule IV Part III of the Act relating to sur-charge etc, inconsistent with the conduct of audit before the transaction takes place The continuance of the existing system of preaudit has therefore to be discontinued as early as possible

It is nearly two years since the Corporation came into being and the question of the audit and accounting arrangements is still unsettled In view of the above anomalies and to enforce the spirit of the Act regarding audit arrangements, I request that early orders of Government be obtained in the matter I suggest that the proposals submitted by me may be given effect to from 1-4-1952 at the latest From the stand point of the State Accounts Department it is desirable to give up preaudit from that date leaving the question of forming an Accounts Department in the Corporation to the decision of the Corporation I am therefore making arrangments to discontinue preaudit from that date and to take up post-audit I request that approval of Government may be communicated in this behalf

---

"Copy"

For Commissioner

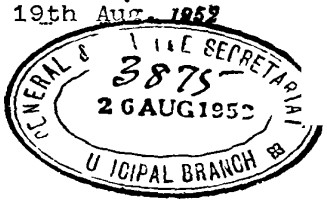
12/2/52

TNL/-
11/2/52

OFFICE OF THE ACCOUNTANT GENERAL
MYSORE

No GAT-415/A C

Bangalore dated 19th Aug. 1952



From

The Accountant General Mysore
Bangalore

To

The Secretary to the Govt of Mysore
Local Self Govt Department
Bangalore

Sir,

Consolidated allowance of Rs 75 P to the Corporation Auditor

* *****

I would invite a reference to G O No L 8618-21/74-51-2 dated 12-11-1951 on the subject noted above and state that Sri H Chikkana Corporation Auditor is being paid the consolidated allowance of Rs 75/- p m pending orders of Govt on the reorganisation of the Audit & Accounts Works

Yours faithfully

K Chinnaiah

Asst Accountant-General

As pointed out by me in my letter dated 28-5-51, the audit contemplated by the Corporation Act appears to be only post audit Audit is required under the Act to furnish annual reports to the Standing Committee and to Government and this will necessitate a periodical review of the entire accounts which cannot be done so long as preaudit continues The provision in Schedule IV Part III of the Act relating to sur-charge etc, inconsistent with the conduct of audit before the transaction takes place The continuance of the existing system of preaudit has therefore to be discontinued as early as possible

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TNL

L 8621

18 ~~August~~ SEPT 1952

The Commissioner,
Corporation of the City of Bangalore,
(through the Mayor) Bangalore

Subject - Re-organation of the Audit and Accounts System in the Corporation of the City of Bangalore

---

I am directed to refer to the correspondence ending with your letter No B1 /51-52 dated the 11th February 1952, on the subject mentioned above and to state that even after further consideration, it is felt that it would be in the best interest of the Corporation that audit should be separated from accounts The proposals of the Controller, may, therefore, be accepted

2 The cost of audit and accounts should, however, be borne by the Corporation

Yours faithfully,

(V Hanumanthappa)
fo Secretary to Government,
L S G Department

LNS 2 29/8

Appendix F G—1]

SUBJECT Reorganisation of the Audit & Accounts System in the Corporation of the City of Bangalore

Section

File No

Serial No

Diary No of letter replied to

To ℓ 8621

Dated 1-9-1952

To

The Commissioner
Corporation of the City of
Bangalore
Bangalore

General and Revenue Secretariat

( )

the 19

Sir,

I am directed to refer to the correspondence ending with your letter No B1/51_52 dated the 11th February 1952 on the subject mentioned above & to state that even after further Consideration it is felt that it would be in the best interest of the Corporation that audit should be separated from the accounts. The proposals of the Controller may, therefore, be kindly accepted

Date of issue

Signed by

The Cost of audit & accounts should however be born by the Corporation

List of enclosures

Copied by

Examined by

Yours Hly

Dy Secy

Asst Secy

Offg

22/8/52

460—GPB—30,000—25 9 51

CH 83 53-1/17

9467

CORPORATION OF THE CITY OF BANGALORE

15

GENERAL AND REVENUE SECRETARIAT

D O No L 10104 *Dated Bangalore* 21-9-52

DEAR SIR

I am desired to invite your attention to this Office Letter No L 86 21/52 53 dated 1st Sept 1952 ~~and the~~ subsequent regarding the reorganation of the remainders Audit and Accounts System in the corporation of the city of Bangalore

and to request that reply thereto may kindly be expedited as the matter is ~~long pending~~ very urgent

Yours sincerely

1719

To

The Commissioner
15/9/52 Corporation of the city of
Bangalore

(By name

WD 06572—GPB—15 000—31 5 47

22/9/52

9467
eH 83 53-1 17

CORPORATION OF THE CITY OF BANGALORE

CORPORATION OF THE CITY OF BANGALORE

No B6/52-53

GENERAL & JUDICIAL BRANCH 5414 20 OCT 1952

CORPORATION OFFICES
BANGALORE
15th October 1952

FROM
THE COMMISSIONER
CORPORATION OF BANGALORE
BANGALORE

To

The Secretary to the Government of Mysore,
Local Self Government Department,
Bangalore

SIR

Subject:- RE-ORGANISATION OF THE AUDIT AND ACCOUNTS SYSTEM IN THE CORPORATION OF THE CITY OF BANGALORE

With reference to your D O No L 10104 dated the 25th September 1952, I write to inform you that the matter is being placed before the Corporation and their resolution will be communicated as early as possible

Yours faithfully,

(K Henjerappa,)
COMMISSIONER
16/10

TNL/-

9467

eH 83-53-1/17

CORPORATION OF THE CITY OF BANGALORE

No B1/52-53
Enc 2 no resolutions

CORPORATION OFFICES
BANGALORE

Dated 4th March *1953*

FROM

K HENJERAPPA, ESQ, B A, B L
COMMISSIONER
CORPORATION OF THE CITY OF BANGALORE,
BANGALORE

To

The Secretary to Government,
Local Self-Government Department,
Bangalore

& HAS

SIR,

Subject Reorganisation of the Audit and Accounts System in the Corporation of the City of Bangalore

---

With reference to our letter No L 8621 dated 1 9 1952, I write to inform you that the matter was considered by the Standing Committee (Accounts) and the Corporation at their meetings held on 24 11 1952 and 16 2 1953 respectively and they resolved that if the Government desired to follow the Madras system for Post Audit, the cost therefor has to be borne by them as is done by the Madras Corporation vide copies of resolutions enclosed

In the Madras Corporation, the entire charges of post audit are met by the Government and it is therefore, necessary that one set of charges viz , the audit charges of the Government Auditors should be borne by Government to avoid duplicate cost for purposes of audit of the Corporation accounts in view of the poor financial position of the Corporation If the Government agree to meet the cost of Government Auditors, the Corporation will be saving annually a sum of ₹ 27,030-12-0 and dearness allowance thereof

The Corporation therefore, at their meeting held on 16 2 1953, resolved that the cost of the Government Auditors may be borne by them Orders of Government may be obtained in the matter early

Forwarded with compliments,

P Hanumanthiah
(P Hanumanthiah)
MAYOR

Yours faithfully,

Henjerappa
(K HENJERAPPA) 5/3
COMMISSIONER

PROCEEDINGS OF THE MEETING OF THE STANDING COMMITTEE (ACCOUNTS) HELD AT 4 P.M. ON MONDAY THE 24TH NOVEMBER 1952 IN THE NEW COMMITTEE HALL CIVIL SECTION, BANGALORE

Consideration of the proposals of the Local Fund Examiner, Government of Mysore for reorganisation of audit and accounts work in the Corporation of the City of Bangalore on the basis of the organisation of the Madras Corporation Viz , one continued and current audit and another post-audit by the Government auditors and office note dated 27th October 1952 that if the Government desire to follow the Madras system for post audit, the will have to bear the cost as is done by the Madras Government

Resolution - Recommended that the office note dated 27th October 1952, that if the Government desire to follow the Madras system for post-audit, the will have to bear the cost as is done by the Madras Government be approved

Sd/- R. Anantharaman,
Chairman,
Standing Committee,
(Accounts)

"COPY"

BSS

FOR COMMISSIONER

RESOLUTION PASSED AT THE ADJOURNED MEETING OF THE CORPORATION OF THE CITY OF BANGALORE HELD ON 16TH FEB 1953

---

40 Recommendation of the Standing Committee (Accounts) dated 24th November 1952, that the office note dated 27th October 1952 on the question of reorganising the audit and accounts work in the Corporation of the City of Bangalore, be approved if the Government desired to follow the Madras system for post-audit and bear the cost as is done by the Madras Government

Sri A Chengalroya Naidu moved the following resolution -

"Resolved that the recommendation of the Standing Committee (Accounts) dated 24th November 1952, that at the office note dated 27th October 1952 on the question of re-organising the audit and accounts work in the Corporation of Bangalore, be approved, if the Government desired to follow the Madras system for post-audit and bear the cost as is done by the Madras Government, be accepted "

Sri J Jayachelan seconded the resolution and it was passed

Sd/- P Hanumanthiah
Mayor

"COPY"

for Commissioner

9

No. L 755-56/CM83-53-2
Dt 22/4/53

Copies

To

1) The Commissioner
Corporation of the City
of Blore

2) The Controller S A D

—

Sir

I am directed to request
you to be so good as to
make it convenient to meet
the Secretary, L S G and planning
in this office on 24th 4 53 at
4 P M to discuss the proposal
for the re-organisation of
the audit and accounts of
the Bangalore Corporation

Yours faithfully,
22/4
Asst Secy.
on Local Fund Branch
14/4/53

Copy to the L S G Secy

Secy on 22/4 at 3.35 PM

Submitted
Draft not approved & may be returned
kindly

22/4

20

GOVERNMENT OF MYSORE

Mysore Govt Secretariat

No. LSG 55-56/C R 83 53 2 Bangalore Dated 22/6/53

From The Asst Secretary to the Government of Mysore
Local Self Government Department
& Planning Deptts, Bangalore

To

1 The Commissioner,
Corporation of the City of Bangalore

2 The Controller,
State Accounts Department, Bangalore

Sir,

I am directed to request you to be so good as to make it convenient to meet the Secretary to Government, Local Self-Government and Planning Departments, in his office on 24th April 1953 at 4 P.M. to discuss the proposal for re-organisation of the Audit and Accounts of the Bangalore Corporation

Yours faithfully,

(V Hanumarthappa)
Asst Secretary to Government,
L S G & Planning Departments.

knr-4/22 4

Account's Officer and staff as they

the above 6 items of works which are being administered by the Madras Corporation are administered by several Government Departments in Bangalore It is only the last item that is

System of audit in the City Municipal ty and Civil Station Munic- ality and the comparison with their advantages & disadvantages

Till the formation of the Corporation, there was preaudit in the City Municipality The Government had appointed their own Auditors who after finally scrutinising the vouchers etc , used to admit the expenditure In the Civil Station there was post-audit by the Treasury Officer and the accounts used to be sent to him for this purpose

After the formation of the Corporation the accounts of both the Municipalities were merged together under a combined accounts section consisting of staff of both the Municipalities The preaudit system of the City Municipality is being continued with the addition of Assistant Controller at the head of the Audit Section and with some more Accountants This system as opined by the various Corporation Commissioners is working satisfactorily and is the best

The proposal to adopt the Madras system of accounts establishment and the Government Auditors for Post-audit is stated to be on the ground that our Act is based on the Madras Corporation Act But in realit there is good deal of difference in the working system of the Madras Corporation and the Bangalore Corporation

The Madras Corporation has got under its administration-

(1) Water Supply and Distribution
(2) Electricity
(3) Elementary Education
(4) Underground Drainage
(5) All Dispensaries
(6) Loans relating to several schemes
(7) Supplies and Services including D P / works such as roads, buildings, drains etc.

Naturally the volume of work in the Accounts Section of the Madras Corporation is very heavy and requires an Accounts Officer and staff as they have got at present The above 6 items of works which are being administered by the Madras Corporation are administered by several Government Departments in Bangalore It is only the last item that is

is being attended to by the Bangalore Corporation The transaction in the Bangalore Corporation is only about one crore each on the receipt and expenditure side whereas in the Madras Corporation it is more than 3 Crores Therefore there is no necessity for an Accounts Officer and Staff as in Madras and there is no necessity for the extra establishment proposed The present staff seems to be quite sufficient for maintaining the necessary accounts relating to the last item of work viz , supplies and services

In addition to the above it is also necessary to consider the advantages and disadvantages of Pre-audit and Post-audit

Pre-audit	Post-Audit
1 The Accounts,bills etc , will be scrutinised finally and they are passed only after they are in accordance with the Standing Order, rules, regulation etc., Any irregular or illegal payment can be prevented then and there and expenditure will be incurred only after the illegality or irregularities are cured There will be no post-mortem operation and there is no question of surcharge etc	1 The department concerned is likely to pass accounts and bills etc , without proper auditing as is happening in most of the other Municipalities in the State The auditors have to point out these irregularities after the expenditure is incurred and there is danger incurring the expenditure without proper sanction and consequent loss to the Corporation
2 The cost will be limited and single	The cost will increase to an enormous extent on account of auditing twice one and the same matter

In Madras the cost of the Accounts Staff is borne by the Corporation and that of the audit staff by the Government On this analogy the cost of the Post Audit Staff which works out to Rs 27,030-12-0 per annum (exclusive of dearness allowance) will have to be borne by the Government which the Government now contests to pay If the Corporation were to bear the cost, it will be an additional burden on the present slender finances of the Corporation The Corporation is now not in a position to meet this huge expenditure

As the proposal is to man the accounts section with some of the Controller's staff who have to do both maintaining the accounts and auditing and then send on the bills and vouchers etc , to the Government Audit Section, there will be double system of audit for one and the same thing at heavy cost which is not necessary in view of the limited work relating to Supplies and Services It is also necessary to save the extra cost of Rs 27,000 and utilise it for better purposes

In view of the above the present system of maintaining accounts with the existing staff and preauditing may be allowed to continue Inspite of the above facts, if it is insisted that the Corporation should have the accounts and audit system as in Madras, the Corporation desires that the cost of the Staff of the Post-Audit should be borne by the Government

24

CORPORATION OF THE CITY OF BANGALORE

..D No C 91/53-54

SECRETARY TO GOVERNMENT
L S DEPARTMENT
FROM 25 APR 1953

CORPORATION OFFICES,
BANGALORE

Dated 24th April 1953

FROM
THE COMMISSIONER,
CORPORATION OF BANGALORE,
BANGALORE

To

The Secretary to the Government of Mysore,
Local Self-Government Department and
Planning Departments, BANGALORE

SIR

Sub - Proposal for re-organisation of the Audit and Accounts of the Bangalore Corporation

---

I am in receipt of the letter No L 755-56/C I 83-53-2 dated 22-4-1953 addressed from the Assistant Secretary, Local Self-Government Department intimating me to meet you in your office on 24-4-1953 at 4-0 P for discussions on the above subject But as a meeting of the Standing Committee of the Corporation is fixed on the same day (i e 24-4-53) at 4-0 P M , I request you kindly to have the same on Monday the 27th April '53 at 4-0 P M

Yours sincerely,

Venkatappa 24/4
(K VENKATAPPA),
COMMISSIONER
24/4/53

Before We
We agree

27/4

21/5/53

11/5/53

25

No. 4 2555 26-5-53

Encl proposals & proprietary statement

CM 83-53-3

To

The Commissioner

Corporation of the City

of Bangalore

Chairman the Mayor

Subject Re organisation

of the audit and Accounts

Section of the B'lore Corpn.

Sir

I am directed to

state that in pursuance of

the decisions held on 27/4/53

the Controller S A O has

been up revised proposals

for the Re organisation of

the audit and Accounts

of the ~~Corporation~~ transactions

of the Corporation

I forward herewith

the revised proposals of

the Controller along with

the proposition statement

for placing the same

before the Corporation for

the views

Yours faithfully

Sd/- 11/5/53

Sd/- 21/5/53

Sd/- 11/5/53 Dy Secy to Govt

30

CORPORATION OF THE CITY OF BANGALORE

No B1/53-54. CORPORATION OFFICES,

26

GENERAL AND REVENUE SECRETARIAT,

D O No L3232 *Dated, Bangalore* 11-6-53

DEAR SIR

I am desired to invite your attention to this Office Letter No. A3535/GM 83-53-3 dated 26 5-53 and the subsequent reminders Regarding the proposals for the Re organisation of the Audit and Accounts Section of the B Corporation

and to request that reply thereto may kindly be expedited as the matter is long pending urgent

Yours sincerely

To

The Accountant,
C C B.
(City Branch)

cpv

WD 02854—GPB—5 000—11 5 48

30

CORPORATION OF THE CITY OF BANGALORE

No B1/53-54.

CORPORATION OFFICES

27

GENERAL AND REVENUE SECRETARIAT

Dated Bangalore 29th June 53

D O No L3596

DEAR SIR

I am desired to invite your attention to this Office Letter No L 2995/e M 82-53-3 dated 26-5-53 and the subsequent reminders } L 3232 dt 11-6-53 Re- the proposal for the Re-organisation of the Budget amended Accounts Section of the Bangalore Company

and to request that reply thereto may kindly be expedited as the matter is ~~long pending~~ urgent

Yours sincerely

To The Commy Capt'n R6

(By name)

WD 06572—GPB—15 000—31 5 47

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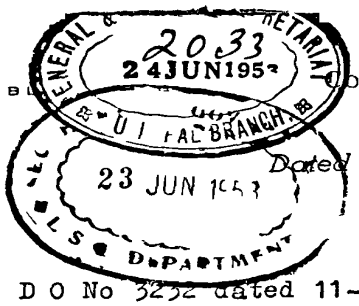
CORPORATION OF THE CITY OF BANGALORE

No B1/53-54.

CORPORATION OFFICES

864/19/6

K Henjerappa
COMMISSIONER



28

CORPORATION OFFICES
BANGALORE

D O No B1/53-54 Dated 20th June 1953

Dear Sir,

Ref Your D O No 3252 dated 11-6-1953

I write to inform you that the proposal for the reorganisation of the Audit and Accounts Section of the Bangalore Corporation is before the Standing Committee and Corporation and their decision will be intimated as early as possible

Yours sincerely,

Henjerappa
20/6

Sri G Venkatakrishna Rao, I A S ,
Secretary to the Government of Mysore,
L S G and Planning Departments,
Bangalore

20/6

30

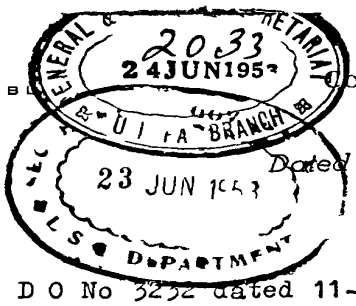
CORPORATION OF THE CITY OF BANGALORE

No B1/53-54.

CORPORATION OFFICES

864/19/6

K Henjerappa
COMMISSIONER



28

CORPORATION OFFICES
BANGALORE

D O No B1/53-54 Dated 20th June 1953

Dear Sir,

Ref Your D O No 3252 dated 11-6-1953

I write to inform you that the proposal for the reorganisation of the Audit and Accounts Section of the Bangalore Corporation is before the Standing Committee and Corporation and their decision will be intimated as early as possible

Yours sincerely,

K Henjerappa
20/6

Sri G Venkatakrishna Rao, I A S ,
Secretary to the Government of Mysore,
L S G and Planning Departments,
Bangalore

20/6

G VAS

CORPORATION OF THE CITY OF BANGALORE

No B1/53-54.

CORPORATION OFFICES

CORPORATION OF THE CITY OF BANGALORE

No B1/53-54

CORPORATION OFFICES
BANGALORE

Dated 25th September 1953

FROM

THE COMMISSIONER,
CORPORATION OF BANGALORE,
BANGALORE.

To

The Secretary to the Government of Mysore,
L S G and Planning Departments,
Bangalore

SIR

Subject REORGANISATION OF THE AUDIT AND ACCOUNTS WORKS IN THE CORPORATION OF BANGALORE

With reference to your Reminder No L 6976 dated 8-9-1953, I write to inform you that the matter has been placed before the Corporation for consideration at their meeting to be held on 28-9-1953 and their decision will be intimated to you as early as possible

Yours faithfully,

(K HENJERAPPA,)
COMMISSIONER

TNL

30

CORPORATION OF THE CITY OF BANGALORE

No B1/53-54
Exe Dve

CORPORATION OFFICES,
BANGALORE
Dated 24th December 1953

5740
MUNICIPAL BRANCH

FROM

THE COMMISSIONER,
CORPORATION OF THE CITY OF BANGALORE,
BANGALORE

To

The Secretary to Government of Mysore,
P W D & Planning Departments,
Bangalore

SIR

Subject - Reorganisation of the audit and accounts section of the Bangalore Corporation

- - - - -

With reference to our letter No L 2555/C II 83-53-3 dated 26-5-1953 I write to inform you that the revised proposals of the Controller, State Accounts Department, for the reorganisation of the audit and accounts of the transactions of the Corporation were placed before the Standing Committees, Accounts and Taxation and Finance and the Corporation for consideration and the Corporation at their meeting held on 19-11-1953 resolved that the recommendations of the Standing Committee (Taxation and Finance) dated 27-8-1953 and of the Standing Committee (Accounts) dated 3-8-1953 that the modified proposals received from the Government for reorganisation of audit and accounts works in the Corporation of the City of Bangalore at a cost of Rs 27,030-12-0 per annum be approved and that the cost be met by the Government for post audit as in other Corporations be accepted I therefore request that orders of Government in the matter may kindly be obtained early

Yours faithfully,

J Channabasappa
(J HENJARAPPA)
COMMISSIONER
24/12/53

SVR/-

RESOLUTION PASSED AT THE ADJOURNED MEETING OF THE CORPORATION OF THE CITY OF BANGALORE HELD ON 19TH NOVEMBER 1953

- - - - - -

70 Recommendation of the Standing Committee (Taxation and Finance) dated 27-8-1953 and of the Standing Committee (Accounts) dated 3-8-1953 that the modified proposals received from the Government for re-organisa of Audit and Accounts orks in the Corporation of the City of Bangalore, at a cost of Rs.27,030-12-0 per annum be approved and that the cost be met by the Governme it for the post audit as in other Corporations

"Resolved that the recommendation of the Standing Committee (Taxation & Finance) dated 27-8-1953 and of the Standing Committee (Accounts) dated 3-8-1953 that the modified proposals received from the Government for re-organisation of Audit and Accounts Works in the Corporation of the City of Bangalore, at a cost of Rs.27,030-12-0 per annum be approved and that the cost be met by the Government for the post audit as in other Corporations, be accepted "

Shri J Singaiah seconded the resolution and it was passed

sd/- P. Hanumanthaiah,
Major

" C O P Y "

FOR COMMISSIONER,
CORPORATION OF BANGALORE

SVR/-

9/12/4

32

M G S App F G 3

MYSORE GOVERNMENT
SECRETARIAT

(~~Continuation sheet draft form~~)

No L 12276
24-12-53

To
The Commissioner C C B
(Through the Mayor)

Subject Reorganisation of the audit and Accounts Section of the B'lore Corporation

Sir

With reference to your letter No B 1/53 SK dated 9 12 1953 on the Subject I am directed to request you to submit your draft Scheme of proposals the Controller S A D and the proposition Statements sent with

WD 03546—GPB—10 000 —14 8 53

7

Dis Office Caller ... Bail/Bond

1 2555/CN 83 53 3 of 26/5 83

Yours faithfully

Jas 16/12/83

16/12/83

C F No 45]

GOVERNMENT OF MYSORE

OFFICE OF Controller,

CORPORATION OF THE CITY OF BANGALORE

No B1/53-54

CORPORATION OFFICES
BANGALORE

Dated 13th January 1954.

FROM

THE COMMISSIONER,
CORPORATION OF BANGALORE,
BANGALORE

To

The Secretary to Government of Mysore,
L S G and Planning Departments,
Bangalore

SIR

Subject Re-organisation of the Audit and Accounts Section of the Bangalore Corporation

With references to your letter No L 12276 dated 24-12-1953, I return herewith the draft proposals of the Controller, State Accounts Department and the proposition statements sent along with your letter No L 2555/C M 83-53-3 dated the 26th May 1953

Forwarded with compliments

(H S Seetharam)
MAYOR

Your s faithfully,

(K Henjerappa)
COMMISSIONER

TNL

2

Dis Office Caller ap [illegible]

[illegible] 1555 / CM 83 53 - 3 of 2 [illegible]

C F No 45]

GOVERNMENT OF MYSORE

OFFICE OF THE
Controller,
State Accounts Department, Bangalore,

No 36/C S A
Encls 2

Date 30th April, 1953

To

The Secretary to Government,
Local Self Government and
Planning Departments, BANGALORE

Sir

Subject Re-organisation of the Audit and Accounts Sections of the Corporation of the City of Bangalore

---

I write to enclose herewith proposition statements in duplicate of the Accounts and Post Audit Sections of the Corporation in the light of the discussion at the meeting held in your chamber on 27th April 1953

As can be seen from the proposition statement relating to the Accounts Section of the Corporation, the provision for an Accounts Officer for the Accounts Branch has been omitted as agreed to The Present Auditor of the Corporation who has been attending to the audit of the receipts and expenditure of the Corporation and the several matters relating to it, will be placed in charge of the Audit branch to be constituted and entrusted with the supervision of the concurrent post audit of the transactions of the Corporation and other allied or He will also be entrusted with other items of work in the Head office where the work has been steadily increasing such as audit of Sales tax receipts, other special audits etc The expenditure on account of the salary of the Gazetted officer will have to be met by Government, ~~on the analogy of~~ ~~which a Gazetted Officer is employed~~ Gazetted supervision of post audit of the transactions of the Corporation is essential and the services of the present officer will be utilised for this work which will undoubtedly occupy most of his time and/or other regular Government audit work such as Audit

P T O

Audit of Sales tax receipts in the several Sales Tax Offices in Bangalore The cost on account of this will be Rs 5,280/- ~~p a~~ per annum and it is worthwhile in the interest of efficient audit to incur the cost The annual average cost of the Accounts Department of the Corporation comes to Rs 28,143-12-0 P A involving an extra cost of 7,123-8-0 p a, as per revised proposition statement herewith sent The annual cost of the concurrent post audit staff works out as before to 27,030-12-0 P A involving an extra cost of 3,641-4-0 P A The net extra cost on account of the entire re-organisation is 10,764-12-0 P A which will have to be paid for from the Corporation funds

It may ~~here~~ be pointed out that the statutory duties are laid down on the Auditor and they have to be carried out in entirety so as to conform with the provisions of the Corporation Act The Commissioner, Corporation of the City of Bangalore, has been addressed in this office letter No 6104/CSA dated 25th March 1953 to augment the existing staff as indicated so that the Auditor may carry on his statutory duties in full He has been requested to obtain immediately the necessary sanction for the additional staff proposed by the Auditor, Corporation, pending re-organisation Any delay in doing so results in audit of the Corporation Funds being incomplete and the statutory duties being not performed in full and loss and leakage of Corporation income However if these re-organisation proposals are to be sanctioned immediately there will be no need for any temporary increase in audit staff

In the circumstances, I request that re-organisation proposals may kindly be sanctioned immediately in the interest of audit and accounts work of the Corporation

Yours faithfully,

(MOHAMED PASHA ATTULLA)
Controller

1-5

Fin[illegible]

Account Form 12

Final 200]

(*Vide* Art 71 M C A'

STATEMENT OF PROPOSITIC[illegible]

Name of office to which the proposition

Government/ order sanctioning present Establishment		Nature of Charge									
		Present Scale							Propos		
		No	Designation	Pay			Average Cost	No	Designation		
No	Date			Minimum	Rate of Increase	Maximum					M[illegible]
Notification No L 5334/ -49-10 Dt 3-12-49		1	Auditor	300	25	500	440				
No L 2802-3/ 51 10-46-175 dt 19-8-47		1	Superintendent	180	10	300	256-2	2	Superintendents		
			Duty allowance				20				
		4	1st Dn clerks	60-5-90/EB-8-130-10-180			512	9	1st Dn clerks		60-5 8-13
			Duty Allowance @ 10/- each				40				
G O No F1(B) 264/LFA-1-51-9 & standing Committee Resolution No dt 11-5-51		*5	1st Dn clerks	-do-			640	7	2nd Dn clerks		46-5
G O No L 12800/ C 49-49-47 dt 17-3-51		2	Peons	18	1	2	41	1	Attender		
								1	Peon		
					TOTAL		1949-2		Per mensem		
					TOTAL		23389-8		Per anrum		

*Officials newly appointed as per G O No F1(B)264/LFA 1-51-9 dated 11-5-1951

NET EXPA

NET INCRA

Note — To be prepared in duplicate and forwarded through the Comptroller in Mysore and should be followed by a respro[illegible] prop

Appendices and Forms)

37

ISION OF ESTABLISHMENT

...it Section of Cor...tion... f City of ...ore

Proposition								Orders of Sanction ng Autho ity
		Permanent		Temporary				
		Increase per month	Decrease per month	Increase per month		Decrease per month		
Maximum	Average Cost	Amount	Amount	Period	Amount	Period	Amount	
			4-0					
	$12-4	56-...						
			20					
	52-0							
			40					
	79-7	370-7						
	2 -6	2 -0						
	22-0		20-8					
	2...9-9	923-15	520-8					
27...	0-1...	Per annum						
3	3- 7-0	Per se...						
...1-	-0	Per ...rum						

N [illegible]
For Chairman
1/19...

the proposal involves additional expenditure

(*Vide* Art 71 M C A C

STATEMENT OF PROPOSITION

Name of office to which the proposition re

Government orders anctioning present Establishment		Nature of Charge							
		Present Scale						Proposed	
				Pay					
No	Date	No	Designation	Minimum	Rate of Increase	Maximum	Average Cost	No.	Designation	Mini
1		1	Head Accountant	110	8	150	140	1	Superintendent	18
								*1	Head Accountant	15
								4	Audit Clerks 60-5-90-10-180	
		5	Accounts clerks	60-5-90/EB-6-150			555	3	Accounts clerks 60-5-	
		7	2nd Dn clerks	40-2-50/EB-3		80	443-5	7	2nd Dn clerks 40-2-	
		6	Examiners 3 on 3 on	-do- 60-5-90/EB 6-150			523-	6	Examiners 3 on 3 on 60-5	
		1	Daftarband	25	1	30	28-12	1	Daftarband	
		3	Peons	18	1	22	61-10	3	Peons	
					TOTAL		1751-11	Per month		
					TOTAL		21020-	4-Per annum		

The scale of pay proposed to the Head Accountant is in accordance to the scale proposed in this office U O reply No 467/CSA dated 31-3-53

Note —To be prepared in duplicate and forwarded through the Comptroller in Mysore and should be followed by a res

Appendices and Forms)

EVISION OF ESTABLISHMENT

missioner's Office, Accounts Section

Proposition									Orders of Sanctioning Authority
			Permanent		Temporary				
		Average Cost	Increase per month	Decrease per month	Increase per month		Decrease per month		
Rate of Pay	Maximum		Amount	Amount	Period	Amount	Period	Amount	
300		256-2-	256-2-						
200		187-8	47-8						
B		512-0	512-0						
150		333-0	--	222-0					
80		443-5							
6-150		523-0							
30		28-12							
22		61-10							
		~~2300-13~~	815-10	222-0					
		~~-20-8~~							
		2345-5	per mensem						
		28143-12-0 Per Annum							
		~~594 10-~~							
		~~1-0~~ P I							
		123-8-0 P A						~~594-10-0~~	

N 1 Cum maps
for Cumtsm
1

Appendix F G—1]

SUBJECT

39

Section

File No

Serial No

Diary No of letter replied to

No L /6160-64

To 8-3-54

Mysore Government Secretariat

( )

the *195*

The Commissioners of

(1) Bombay (2) Madras

(3) Nagapur and (4)

Jabbalpur (5) Calcutta

Corporations

Date of issue

Signed by

Sir,

I am directed to

request you to be so

good as to intimate

whether the Cost

List of enclosures

post audit of Corp

the accounts of Town

Corporation is not done

by State Government

Copied by 8/3/54

Examined by

Yours obedtly

Sd/-

Sec to G of S

WD 03545—GPB—40 000—25 6 53

C F No 46]

GOVERNMENT OF MYSORE

No 457 /CSA
Encls

OFFICE OF Controller of Accounts & Treasuries
Bangalore

Date th February 1954

To

The Secretary to Government,
Local Self Government & Planning
Departments, Bangalore

Sub - Re-organisation of the audit and accounts sections of the Corporation of the City of Bangalore

=====

I write to invite your reference to this office letter No 36/C dated 1-5-1953 on the subject noted above and to request you to kindly communicate the orders of Government on the proposals very early

Yours faithfully,

([illegible])
CONTROLLER

up/-

Mysore Government Secretariat | File No | of 195

WD 03 4 —CPB—40 000—14 8 3

Serial No

The memo for Co has been placed before the Secretary to Govt on the O no 6736/xl and if the relation will be ordered.

Co
18/v

for
18/v

NOTE—Contn Sheet

C D. III 305
1000—Feb. 1952.

From

Sri V N SUBBARAYAN,
Commissioner Corporation of Madras

To 42 / 8227
23 MAR

The Asst Secretary to Government,
L S G & Planning Departments,
Government of Mysore,
BANGALORE

C A D C No D-10-/267/ of 1954, dated 15-3-54

Enclosures

Sir,

Subject —
Ref - Your letter dated 8th March 1954 (19 54)

1 MAR

In reply to your letter referred to above, I have to state that under Section 140 of the Madras City Municipal Act of 1919, the State Government shall appoint Auditors of the Accounts of Receipt & Expenditure of the Municipal Fund No cost is met by the Corporation of Madras for Post Audit of the Accounts of this Corporation

for COMMISSIONER

RAp/16-3-54 16/3 16/3 a/16/3/54 17/3 17/3

The main file was sent to audit by the 8357/54 and to follow will be available

24/12/54

BMPP—J 1 53 150 000

46

Bombay Municipal Corporation

41

1 APR 1954

Certificate of Posting

R-NAS

Office of the Deputy Corporation, Civil Station,
(Central Accounts Audit Department)

Memo

No 1141/CAD Dated Bombay, the 18 3 1954

To

The Assistant Secretary to Government,
Local Self Government & Planning Department,
Govt of [illegible]

Reference - our letter No L 1610-C4,
dated 8/3/1954

I have to inform you that the work of post-audit of the accounts of this Corporation is conducted by the Local Audit Department of Accountant General's Office and its cost is not borne by the Corporation

Chief Executive Officer,
Corporation of the City of Bombay

T/K

23/3

BMPP—J 1 53 1,50 000

46

Bombay Municipal Corporation

MCR/4208 of 195 -195

1 APR 1954

MEMORANDUM

8356

From

THE SECRETARY
City of Jabalpur Corporation,
JABALPUR

To

The Asstt Secy to the G-ovt
of Mysore,
Local Self Govt & Planning
Department,
BANGLORE

Letter No Acctt/11674 *Dated* 23/3 1954

Subject — Cost of Post Audit

Reference — Your memo No L/6160-64 dated 8 3 54

With reference to your above memo, I have to inform you that the cost of post audit of the accounts of the Corporation is met by the State Government

& MAS

Secretary,
Jabalpur Corporation,
Jabalpur

20/3

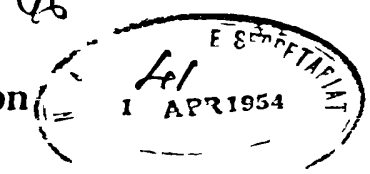
25/3

BMPP—J 1 53 1,50 000

46

Bombay Municipal Corporation

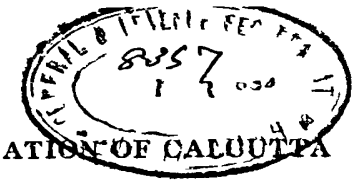
No MGR/4308 of 195 195



30/31

C P —000—2 1 4—20 000

Form No O S 23



45

No Ac/2844

CORPORATION OF CALCUTTA

ACCOUNTS DEPARTMENT

The 23rd March, 1954

The Asstt Secretary to the Govt of Mysore,
Local Self-Government & Planning Department,
Mysore Government Secretariat,
Municipal Branch,

Sir,

& MAS

With reference to your letter No L/6160-64 dated 8th March, 1954, addressed to the Commissioner Corporation of Calcutta, asking for information as to who bears the cost of post-audit of the accounts, of the Corporation of Calcutta, I am to inform you that the audit is done by the Accountant General and Examiner of Local Accounts, West Bengal and the cost is borne by the State Government

Yours faithfully,

Mitra
22 3 54

(P Mitra)
Finance Offr & Ch Accountant,
Corporation of Calcutta

24/3

CRM: 22 iii 54

46

BMPP—J 1 53 1 50 000

Bombay Municipal Corporation

No MGR/4308 of 195 195

Bombay 30/3/1954

CHIEF SECRETARIAT
1 APR 1954

From

The Municipal Commissioner

for Greater Bombay

To

The Assistant Secretary to Government,
Local Self Government & Planning Department,
Government of Mysore, Mysore Government Secretariat,
Municipal Branch, B A N G A L O R E

Subject Cost of Post-audit of the Municipal Accounts

Sir,

Please refer to your letter No L 16160-64 dated the 8th March 1954 on the subject mentioned above

There is no post-audit of accounts by the State Government, but it is carried out by a statutory officer of the Corporation called the Municipal Chief Auditor, who is independent of the Municipal Commissioner The cost of his Department is borne by the Corporation and not by the State Government

Yours faithfully,

(L S Kagal)
for Municipal Commissioner

For perusal & return

31/3

B/29-3

Secy Dept 31/3

The mem. of Co had been sent with D no 8357/54 and to which the Co's reply is awaited

Co 2/4/54

8.4.54

M G S App F G 3

47

MYSORE GOVERNMENT

SECRETARIAT

(~~Continuation sheet draft form~~)

No L 1262 / C M 83-53-5
5-5-54
10

The Comm'r, C C B
(through the Mayor)

Subject: Reorganisation of the audit and Accts Section of the B'lore Corporation

Sir

With reference to the correspondence ending with your letter No B 1/53-54 dated 13.1.54 on the subject, I am directed to state that the draft Re-organisation proposals sent by the

WD 03546—GPB—10 000 —14 8 53

Controller, S A D Cochin

of the parts viz (1) the Audit
Section of the Corporation office
and (2) the audit Section
charged with the Separation
of the Concurrent post audit
of the transactions of the Corporation
Work and other allied work
The Corporation which Expends
annually public funds to
the tune of over a Crore
of Rupees ought to Shoulder
the Responsibility for the maintenance
of accounts in a Satisfactory
manner and for meeting at
of the establishment Requisite
Units for it & therefore
appropriate Unit - the annual
average Cost of at least
Section
the Accounts Dept of the Corpn
which as per the Reorganisation
proposals comes to Rs 98143 - 12-

M G S App F G 3

MYSORE GOVERNMENT
SECRETARIAT

(Continuation sheet draft form)

49

per annum according
as annual Establishment
Expenditure of Rs 7 123-50
is borne by the
Corporation. The
Resolution of the Corporation
agreeing to meet this
Expenditure may be
sent early

Yours faithfully
29/4/54
for Chief Secretary
25/4

WD 03546—GPB—10 000 —14

1262/EM 83-53-5 50

(Municipal Branch)
5-5-54

The
L S G & Planning Departments

To

The Commissioner,
Corporation of the City of Bangalore
(thro' the Mayor)

Sir,

Subject Re-organisation of the Audit and Accounts Section of the Bangalore Corporation

With reference to the correspondence ending with your letter No B1/53-54 dated 13th January 1954 on the subject, I am directed to state that the draft re-organisation proposals sent by the Controller, State Accounts Department, consists of two parts, viz , (1) the Accounts Section of the Commissioners office and (2) the Audit Section charged with the supervision of the concurrent post audit of the transactions of the Corporation and other allied work The Corporation which expends annually public funds to the tune of over a crore of rupees ought to shoulder the responsibility for the maintenance of accounts in a satisfactory manner and for meeting the cost of the establishment required therefor It is therefore appropriate that the annual average cost of at least the Accounts Section of the Corporation which as per the re-organisation proposals comes to Rs 28,143-12-0 per annum involving an annual extra expenditure of Rs 7,123-8-0 is borne by the Corporation The resolution of the Corporation agreeing to meet this expenditure may be sent early

Yours faithfully,

(V Hanumanthappa)
For Secretary to Government,
L S G & Planning Departments

knr-2/30 4

CORPORATION OF THE CITY OF BANGALORE

No B-1153-54 9224 Corporation Offices Bangalore-

CORPORATION OF THE CITY OF BANGALORE

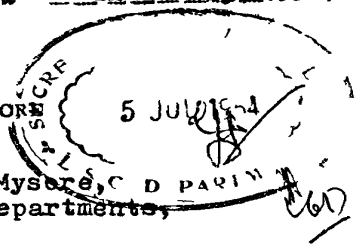
No B 1/53-54

Corporation Offices,
Bangalore

Dated 2nd July 195 4

From

THE COMMISSIONER,
Corporation of Bangalore,
Bangalore



To

Sr WS 6/7

The Secretary to Government of Mysore,
L S G and Planning Departments,
Bangalore

Sir

Subject Re-organisation of the Audit and Accounts Section of the Bangalore Corporation

With reference to your letter No L 2852 dated 16-6-54 on the above subject, I write to inform you that the matter is placed before the Corporation for their approval The final decision of the Corporation will be intimated to you as early as possible

Yours faithfully,

K Hanjerappa

(K Hanjerappa,)
COMMISSIONER

TNL

Sr 6/7

CORPORATION OF THE CITY OF BANGALORE

No B-1[illegible]53 94 9224 CORPORATION OFFICES
BANGALORE-1

2572/54

CORPORATION OF THE CITY OF BANGALORE

No B 1/53-54 5061 CORPORATION OFFICES
BANGALORE

Dated 14th October, 1954

FROM THE COMMISSIONER,
CORPORATION OF BANGALORE
BANGALORE

To The Secretary to the Govt , of Mysore,
L S G & Planning Departments,
Bangalore

SIR

Subject - Re-orgainisation of the Audit and Accounts Section of the Bangalore Corporation

---

With reference to your letter No L 7824 dated 25-9-1954 on the above subject, I write to inform you that the above subject is placed before the Retrenchment and Re-orgainisation Committee for their recommendation A reply will be sent after the Corporation takes a final decision in the matter

Yours faithfully,

(K HENJER IPA) 14/10
COMMISSIONER

SVR/-

CORPORATION OF THE CITY OF BANGALORE

No B-1/5394

MYSORE 9224 3 1 1956 MUNICIPAL BRANCH

CORPORATION OFFICES
BANGALORE
Dated 27th Feb, 1956

FROM

THE COMMISSIONER,
CORPORATION OF THE CITY OF BANGALORE
BANGALORE

To

The Secretary to the Govt, of Mysore,
Education and L S G Departments,
Bangalore

EDUCATION & L S G SECRETARIAT 21 FEB 56 SIR

SUBJECT - Reorganisation of the Audit and Accounts Section of the Corporation, Bangalore

---

With reference to your Reminder No L 10760 dated 30th November 1955, regarding the above subject, I write to state that the subject is before the Corporation for consideration Their Resolution will be communicated to you, in due course

Yours faithfully,

(M KRISHNAPPA)
MAYOR

(D R CHENNARUDRAIYA)
COMMISSIONER

SVR)

CORPORATION OF THE CITY OF BANGALORE.

No L 17111

To the Comr & C B D 28-3-58

Subject Reorganisation of the Audit and Accounts section of the Corporation, Bangalore

Sir, With reference to the correspondence ending with your letter No B1/5354 dated 27 2 58 on the above subject, I am directed to request you kindly to expedite your reply thereto in the matter as urgent.

Yours faithfully
M.
for Secy to Govt
Edn & Sports

19/3/58

CORPORATION OF THE CITY OF BANGALORE.

GOVERNMENT OF MYSORE

Mysore Government Secretariat,
~~General and Revenue Secretariat,~~

No L 17111 *Dated Bangalore* 28 - 3 - 1956

From

The *Secretary to the Government of Mysore*
Education & L S G Departments

To

The Commissioner,
Corporation of the City of Bangalore

Sir,

Subject - Re-organisation of the Audit and Accounts Section of the Corporation, Bangalore

With reference to the correspondence ending with your letter No B 1 /53-54 dated 27-2-1956 on the above subject, I am directed to request you kindly to expedite your reply thereto in the matter

This may kindly be treated as urgent

Yours faithfully,

(M A Meccai)
For Secretary to Government,
Education & L S G Departments

HGN 2/27 3

CORPORATION OF THE CITY OF BANGALORE.

49 **CORPORATION OF THE CITY OF BANGALORE**

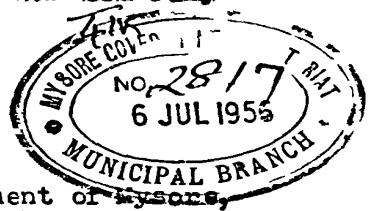
No B1 5556

CORPORATION OFFICES,
BANGALORE

Dated 3rd July *195* 6.

FROM

THE COMMISSIONER
CORPORATION OF BANGALORE
BANGALORE



To

The Secretary to the Government of ~~Mysore~~,
Education & L S G Departments,
BANGALORE

SIR

Subject:- Re-organisation of the Audit & Accounts Section of the Corporation of the City of Bangalore

---

With reference to your letter No L 17111 dated 28-3-56 regarding the above subject, I write to state that the matter has been placed before the Corporation and their decision will be communicated in due course

Yours faithfully,

M Krishnappa
(M Krishnappa)
MAYOR.

D R Chennarudraiya
(D.R Chennarudraiya)
COMMISSIONER.

kr.

CORPORATION OF THE CITY OF BANGALORE

No B 1.53/54 dated(1) 5951 / [illegible]

CORPORATION OFFICES
BANGALORE

Dated 18th October *195* 24th

FROM

D R CHENNARUDRAIYA, B A M Sc
COMMISSIONER
CORPORATION OF THE CITY OF BANGALORE,
BANGALORE

CM 83-53-6

The Secretary to the Government of Mysore,
Education & L.S G. Departments,
BANGALORE

SIR

26/10/56

Subject:- Re-organisation of the Audit and Accounts Section of the Corporation, Bangalore.

In continuation of this Office Letter No B 1.53/54 dated 4-7-1956, regarding the above subject, I write to forward herewith a copy of the Resolution dated 14-9-1956 of the Corporation to the effect that the existing pre-audit system be continued in the Corporation of the City of Bangalore. As such, the matter of introduction of Post audit may kindly be dropped.

Yours faithfully,

(M Krishnappa)
MAYOR.

(D R. Chennarudraiya)
COMMISSIONER.

Resolution passed at the Adjourned Meeting of the Corporation of the City of Bangalore, held on the 14th September 1956.

Subject No.14:- Deferred Subject No 19/14-8-1956 -Commissioner Note placing before the Corporation for consideration and Decision four points regarding the re-organisation of the Audit and Accounts work in the Corporation of the City of Bangalore, as detailed therein.

Sri V P Deenadayalu Naidu moved the following Resolution:-

"Resolved that the existing pre-audit system be continued in the Corporation of the City of Bangalore "

Sri M N Veerabhadra Guptha seconded the resolution and it was passed as follows:-

Resolution:- "Resolved that the existing pre-audit system be continued in the Corporation of the City of Bangalore".

(Sd) M.Krishnappa
MAYOR.

"Copy"

N Siddalingappa
FOR COMMISSIONER.

Appendix F G —1]

SUBJECT Re- organisation of the Audit and Accounts Section of the Corporation of the city of Bangalore

Diary No of letter replied to

Section CM

File No 83-53

Serial No 7

Mysore Government Secretariat

( )

the *195*

L 14550 D 12-1-57

Date of issue

Signed by

The Commissioner
Corporation of the
city of Bangalore
(The Secretary)

with reference to the
Corporation's letter No B1 53/54-55
dated 18/24 10 56 on the
above subject, I am
directed to State that
the proposal of the Corporation
is accepted to continue
the existing system.

List of enclosures

Copied by

Examined by

WD 03736 GPB—P Z 5 — 50 000—1 3 56

pre-audit is accepted

Yours faithfully

for Secy to Govt,
ue C SA & P Hdqrs

Memo No. 14551 /O 12-1-57

Copy of the above is forwarded to the Controller, State Accounts Department, Bangalore for information with reference to his letter No 36/C S A of 30/9/53/1 S. 53

for Secy to Govt,
ue C SA & P Hdqrs

G R S APP F III—1]

7442
2 FEB 1952
GENERAL & REVENUE SECRETARIAT
MUNICIPAL BRANCH

GENERAL AND REVENUE SECRETARIAT

( )

NOTES —

FILE HEADING

FROM

The Commissioners Corporation of Bombay

Letter No B1/5175 — Dated 11-2-52 — Received

Diary No 3601/A	Enclos	Spare copies	Serial No

BRIEF ABSTRACT OF LETTER

Forwards a copy of letter addressed to the L S G Dept in the matter of reorganisation of the audit of Accts work in the Corporation

NOTES AND ORDERS

The proposals received in this office from the Controller sent to L S G Dept on 13/11/51 (D.O. # 2307/A) have not been received back

The Commissioners letter was received only a copy addressed to the L S G Dept The L S G Dept may be requested to offer his remarks & return the file along with this file D.O. # 2307/A for necessary action in this office

GENERAL & REVENUE SECRETARIAT
21 FEB 1952
NOTES — First Sheet
MUNICIPAL BRANCH

Asst Secy
Dy Secy
Secy

WD 015470—GPB—5,000 -24-9 51

File No 7442/nd of 1951-52

General and Revenue Secretariat

The Relevant file may be
submitted with D no 7189/nd
dated 26.2.52 will
be received

4/3/52

8/3

CORPORATION OF THE CITY OF BANGALORE

No B1/51-52

CORPORATION OFFICES
BANGALORE

Dated 11th February 19[illegible]

FROM

[illegible] ESQ M A
COMMISSIONER
CORPORATION OF THE CITY OF BANGALORE
BANGALORE

To

The Secretary to the Government of Mysore,
Local Self Government Department,
Bangalore

SIR

Subject: REORGANISATION OF THE AUDIT AND ACCOUNTS WORK IN THE CORPORATION OF THE CITY OF BANGALORE

In forwarding herewith a copy of letter No 4155/C S A dated 26th December 1951 from the Controller, State Accounts Department, Bangalore, to the Secretary to Government, Finance Department, Bangalore, I write to inform you as follows:

The Controller of States Accounts Department had forwarded a proposal for reorganisation of the Audit and Accounts work in the Corporation of the City of Bangalore on the basis of the organisation of the Madras Corporation He had suggested therein for 2 kinds of Audit viz , one - continued and concurrent audit by the Accounts Officer and his staff of the Corporation and another post audit by the Government auditors and for this purpose he recommended for increasing the audit and accounts staff at an extra cost of Rs.16,752-12-0 per annum

The whole question was gone into and though the proposal is commendable, there are one or two points requiring consideration

Firstly, in the Madras Corporation, the Government meets the cost of the staff Here it appears that the Corporation will

P.t.o

will have to shoulder the expenditure Until this point is made clear it is difficult to accept the arrangements

Secondly, with the inauguration of the Corporation, the initial accounts to be maintained are of enormous magnitude representing transactions to the extent of two crores (nearly of and expenditure). When public money to this extent is involved, it is necessary that all precautions are taken by preaudit in the initial stages alone

The matter was however placed before the Standing Committee with the above recommendation and for accepting the general principles of re-organisation enunciated by the State Accounts Department with slight modifications in the matter of entertainment of staff This was approved both by the Standing Committee, Accounts and Standing Committee, Taxation and Finance and is now before the Corporation

As the view taken by the members of both the above Standing Committees is in favour of the continuance of the Preaudit system, the proposal of the State Accounts Officer to discontinue the system from 1-4-1952 cannot be accepted until the Corporation is able to examine the whole question thoroughly and for a variety of reasons this may take some time Till then the present system may continue

FINANCIAL SECTION H 3601/B 16 FEB 1952 AUDIT

GOVT OF MYSORE 16 FEB 1952

Forwarded with compliments Yours faithfully,

MAYOR

(Sd) (N S Hirannayya)
COMMISSIONER

TNL/-

Memo

Copy with compliments (1) to the Secretary to Government, Finance Department, for information
(2) to the Controller, State Accounts Department
(3) to the Auditor, Corporation of Bangalore

N Siddalingappa

(N Siddalingappa)
FOR COMMISSIONER